GOVERNMENT OF INDIA
PLANNING
LOK SABHA

UNSTARRED QUESTION NO:2767
ANSWERED ON:06.12.2000
NATIONAL HIGHWAY DEVELOPMENT PROJECT
M.V.V.S MURTHI;SHIVAJI MANE

Will the Minister of PLANNING be pleased to state:

(a) whether the Task Force on Infrastructure headed by the Deputy Chairman of PlanningCommission reviewed the progress of National Highway Development Project;

(b) if so, the details thereof alongwith the funds involved in the project and source of funding;

(c) whether the World Bank and Asian Development Bank at the time of finance imposed certainconditions for the award of contracts;

(d) if so, the details thereof;

(e) whether the Indian companies at that time were not in a position to fulfil such conditions;

(f) if so, the reasons therefor; and (g) the steps taken by Government to relax the prequalified conditions with the results thereof?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE DEPARTMENT OF DISINVESTMENT, MINISTER OF STATE IN TH MINISTIRES OF PLANNING, STATISTICS & PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE DEPARTMENT OF ADMINISTRATIVE REFORMS AND PUBLIC GRIEVANCES

(SHRI ARUN SHOURIE)

(a) Yes sir.

(b) A Statement is enclosed.

(c&d): World Bank(WB) and Asian Development Bank(ADB) have their own procedures for award of contracts which essentially involve prequalification of contractors and stipulate that contract conditions should be as per international competitive bidding (ICB) procedures. The work would be supervised by independent international consultants. The procedures also require the borrower and the executing and implementing agencies to seek lending agencies' 'no objection' at various stages of the procurement process.

(e) to(g): Many Indian companies have been executing World Bank and AsianDevelopment Bank financed projects. However, some Indian companies did express the apprehension that prequalification conditions for the World Bank aided Third NationalHighway projects were stiff and, therefore, they would not be able to get prequalifed. In consultation with the World Bank, these conditions were partially relaxed. - STATEMENT IN RESPECT OF PART (b) OF LOK SABHA UNSTARRED QESTION NO. 2767 REGARDING NATIONAL HIGHWAY DEVELOPMENT PROJECT

The National Highway Development Project (NHDP) consists of Golden Quadrilateral and North-South & East-West corridors.The aggregated length of NHDP is 13252 Kms requiring a sum of about Rs.54000 crores forupgradation. A number of projects have already been taken up as per details below :-

	Number of Projects	Length (in Km.)	Cost (Rs. in crores)	Target
Golden Quadrilateral	13	697	3010	December, 2003
North-South East-West	20	272	839	December, 2002

The projects are funded from external assistance, budgetary grants to NHAI and private sector participation.